

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)	
FILING OF WESTERN LEWIS-)	CASE NO. 2008-00178
RECTORVILLE WATER AND GAS DISTRICT)	

ORDER

On May 12, 1993, in Case No. 1992-00331,¹ the Commission approved rates for Western Lewis-Rectorville Water and Gas District ("Western Lewis") and provided for their further adjustment in accordance with the Western Lewis Gas Cost Adjustment clause.

On May 19, 2008, Western Lewis filed its proposed Gas Cost Recovery Rate ("GCR") to be effective July 1, 2008.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Western Lewis's notice includes revised rates designed to pass on to its customers its expected change in gas costs.

2. Western Lewis's notice sets out an Expected Gas Cost ("EGC") of \$14.0780 per Mcf, which is an increase of \$2.1165 per Mcf from its previous EGC of \$11.9615.

¹ Case No. 1992-00331, The Application of Western Lewis-Rectorville for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

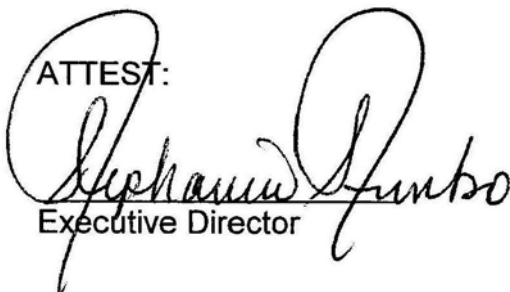
3. Western Lewis's notice sets out no Refund Adjustment.
4. Western Lewis's notice sets out a current quarter Actual Adjustment ("AA") of (\$.5065) per Mcf. Western Lewis's total AA is (\$.7673) per Mcf, which is an increase of \$1.2028 per Mcf from the previous total AA.
5. Western Lewis's notice sets out a current quarter Balance Adjustment ("BA") of \$.0210 per Mcf. Western Lewis's total BA is \$.0254 per Mcf, which is an increase of \$.1468 per Mcf from the previous total BA.
6. Western Lewis's GCR is \$13.3361 per Mcf, which is \$3.4661 per Mcf more than the previous rate of \$9.87.
7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Western Lewis on and after July 1, 2008.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered on and after July 1, 2008.
2. Within 20 days of the date of this Order, Western Lewis shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 6th day of June, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00178 DATED JUNE 6, 2008

The following rates and charges are prescribed for the customers served by Western Lewis–Rectorville Water and Gas District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RETAIL RATES:

Customer Charge	\$1.00 per month		
<u>Monthly usage</u>			
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$13.3361	\$17.3244
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	13.3361	14.7926
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	13.3361	14.7331
Over 10,000 cubic feet per 1,000 cubic feet	1.2228	13.3361	14.5589